

**CAPITAL OUTLAY FOUNDATION PROGRAM -
PARTICIPATION REQUIREMENTS**

2005 GENERAL SESSION

STATE OF UTAH

Sponsor: James A. Ferrin

LONG TITLE

General Description:

This bill modifies the school district requirements to participate in the Capital Outlay Foundation Program.

Highlighted Provisions:

This bill:

- ▶ provides definitions; and
- ▶ limits school building construction costs and campus size per student capacity for school districts that participate in the Capital Outlay Foundation Program.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

53A-21-103, as last amended by Chapter 320, Laws of Utah 2003

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **53A-21-103** is amended to read:

**53A-21-103. Qualifications for participation in the foundation program --
Distribution of monies -- Distribution formulas.**



(1) As used in this section, "school building construction costs" includes all costs except real property costs and site improvements.

~~[(1)]~~ (2) (a) In order for a school district to qualify for monies under the Capital Outlay Foundation Program established in Subsection 53A-21-102(1), a local school board ~~[must]~~ shall:

(i) levy a tax rate of up to .0024 per dollar of taxable value for capital outlay and debt service[-]; and

(ii) provide for the construction of new school buildings in accordance with the standards specified in Subsection (2)(b).

(b) Beginning July 1, 2005, a school district receiving monies under the capital outlay foundation program shall construct each school as follows:

(i) for students in grades kindergarten through 6:

(A) school building construction costs may not exceed \$5,000 per student capacity; and

(B) the school campus may not exceed .01 acres per student capacity;

(ii) for students in grades 7 through 9:

(A) school building construction costs may not exceed \$7,000 per student capacity; and

(B) the school campus may not exceed .015 acres per student capacity; and

(iii) for students in grades 10 through 12:

(A) school building construction costs may not exceed \$9,000 per student capacity; and

(B) the school campus may not exceed .015 acres per student capacity.

~~[(2)]~~ (3) The State Board of Education shall adopt rules in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, that:

(a) allow a school district levying less than the full .0024 tax rate to receive proportional funding under the foundation program based upon the percentage of the .0024 tax rate levied by the district; and

(b) maintain a school district's funding under the Capital Outlay Foundation Program for up to two years if the school district's funding would otherwise be reduced as a consequence of changes in the certified tax rate under Section 59-2-924 due to changes in property valuation.

~~[(3)]~~ (4) The State Board of Education shall distribute monies in the Capital Outlay Foundation Program in accordance with a formula developed by the state superintendent of

59 public instruction which guarantees that a tax rate of up to .0024 per dollar of taxable value for
60 capital outlay and debt service yields a minimum amount per pupil in average daily
61 membership.

Legislative Review Note
as of 1-6-05 3:52 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

Fiscal Note**Capital Outlay Foundation Program-Participation Requirements***18-Jan-05***Bill Number HB0187***8:56 AM*

State Impact

The provisions of this bill would have no fiscal impact on state funds. Local school districts participating in the Capital Outlay Foundation Program may, or may not, continue participation in the program based on how the provisions in the bill relate to

Individual and Business Impact

No fiscal impact

Office of the Legislative Fiscal Analyst